

<p>Attorney or Party Name, Address, Telephone & FAX Nos., State Bar No. & Email Address</p> <p>RON BENDER (SBN 143364) JACQUELINE L. JAMES (SBN 198838) LINDSEY L. SMITH (SBN 265401) LEVENE, NEALE, BENDER, YOO & BRILL L.L.P. 10250 Constellation Boulevard, Suite 1700 Los Angeles, California 90067 Telephone: (310) 229-1234 Facsimile: (310) 229-1244 Email: rb@lnbyb.com; jlj@lnbyb.com; lls@lnbyb.com</p> <p><input type="checkbox"/> <i>Individual appearing without attorney</i> <input checked="" type="checkbox"/> <i>Attorney for: Debtor and Debtor in Possession</i></p>	<p>FOR COURT USE ONLY</p>
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[illegible]

Sale Date: 05/11/2017	Time: 10:00 am
Location: Courtroom 1375, 255 E. Temple St., Los Angeles, CA	

Type of Sale: ☒ Public ☐ Private **Last date to file objections:** 04/28/2017

Description of property to be sold: See attached

Terms and conditions of sale: See attached

Proposed sale price: \$ 1,425,000.00 plus the assumption of liability under the assigned contracts of approximately \$1 million

This form is mandatory. It has been approved for use in the United States Bankruptcy Court for the Central District of California.

Overbid procedure (if any): See attached

If property is to be sold free and clear of liens or other interests, list date, time and location of hearing:

May 11, 2017 at 10:00 am, 255 E. Temple St., Los Angeles, CA

Contact person for potential bidders (include name, address, telephone, fax and/or email address):

Jacqueline L. James and Lindsey L. Smith
Levene, Neale, Bender, Yoo & Brill L.L.P.
10250 Constellation Blvd., Ste. 1700
Los Angeles, CA 90067
Tele: 310-229-1234
Fax: 310-229-1244
E-mails: JLJ@LNBYB.COM; LLS@LNBYB.COM

Date: 04/21/2017

ATTACHMENT TO NOTICE OF SALE OF ESTATE PROPERTY

- **Description of property to be sold:** (i) all of the Debtor's Assigned Contracts, which is currently expected to consist of 45 of the Debtor's non-bonded contracts with its clients and several other types of executory contracts and unexpired leases, including certain vehicle and equipment leases, (ii) all accounts receivable related to the Assigned Contracts or other rights to receive payment for services or products provided by Seller in connection with the Assigned Contracts as of the Closing Date; (iii) all machinery, plant, vehicles, small tools, equipment, computers, inventory, spare parts, fittings, supplies and other tangible personal property of the Debtor; (iv) all of the Debtor's names, including the name "Steiny and Company", and all trademarks; (v) all of the Debtor's "Intellectual Property Rights" (as defined in the Asset Purchase Agreement [the "APA"]); (vi) all rights under "Governmental Authorizations, Licenses & Permits" (as defined in the APA); (v) all goodwill; (vii) all operating data, books and records, including customer lists and information relating to customers and suppliers; (viii) all other assets, whether tangible or intangible, that are or ever have been used by Seller in its businesses excluding the Excluded Assets (described below) for the cash purchase price of \$1.45 million plus the assumption of liability under the Assigned Contracts of approximately \$1 million. The assets of the Debtor to be purchased by Buyer (as defined in the APA) are defined as the "Acquired Assets" and are identified in Section 2.1(e) of the APA. The assets that are excluded from the proposed sale are referred to in the APA as "Excluded Assets" and are defined in Section 2.1 (f) of the APA.
- **Terms and conditions of sale:** the Acquired Assets will be acquired "as is," "where is" and "with all faults" and without any representation or warranty expressed or implied relating to the condition or value of the Acquired Assets. The sale is also not subject to a financing contingency. The Debtor urges all parties in interest to read the entire APA and its schedules for a more complete description of the details of the proposed sale transaction to Buyer. Furthermore, the Acquired Assets shall be sold free and clear of liens, claims, interests and encumbrances pursuant to Bankruptcy Code section 363(f).
- **Overbid procedure:** The proposed bidding procedures for which the Debtor seeks approval and for which any party this wishes to overbid must comply are as follows:
 - Stalking Horse Bid. The Buyer has made an initial bid of \$1,450,000 in cash plus estimated assumption of Post-Closing Contract Obligations (the "Stalking Horse Bid")
 - Qualifying Initial Overbid. The qualifying initial overbid (the "Qualifying Initial Overbid") shall be at least \$1,550,000 in cash.
 - Overbid Increments. Subsequent overbids above the Qualifying Initial Overbid will be in increments of no less than \$50,000.
 - Qualifying Overbidder. To be a qualified overbidder and participate in the auction described below ("Qualified Overbidder") an interested bidder must meet all of the following requirements:
 - Deposit \$155,000 into the Debtor's bankruptcy counsel's trust account via wire transfer by no later than 3:00 p.m. (Pacific Time) on the date that is two business days before the date of the Sale Hearing, to be held as earnest money deposit, and which will be fully refundable if the Qualified Overbidder is not a winning bidder at the Sale; however, the \$155,000 earnest money deposit will be forfeited if the Qualifying Overbidder is deemed to be the winning bidder but fails to close on the Sale through no fault of the Debtor;

- Submit a clean, signed version and redlined version of its asset purchase agreement redlined against the Buyer's APA by no later than 3:00 p.m. (Pacific Time) on the date that is two business days before the date of the Sale Hearing, to Debtor's counsel Jacqueline L. James via email to jlj@lnbyb.com and to investment banker Daniel S. Conway via email to dconway@craftpartnersllc.com; a Word version of the Buyer's APA will be provided by Debtor's counsel upon request by email to a potential overbidder;
- Submit proof of funds sufficient to pay the purchase price for the Sale 3:00 p.m. (Pacific Time) on the date that is two business days before the date of the Sale Hearing;
- Breakup Fee. \$100,000 (the "Breakup Fee") payable to the Buyer;
- Auction. The auction will take place in Courtroom 1375 located at 255 E. Temple Street, Los Angeles, California on the same date and at the same time as Sale Hearing;
- Hearing on the Sale. Following the auction to be held in the abovementioned courtroom, the Debtor will request that the Court approve the best overall offer made on the Debtor's assets and, thus, the winning bidder as the buyer of the Sale;
- Closing. The winning bidder must close by no later than ten (10) calendar days from the date of the entry of an unstayed sale order without regard to the pendency of an appeal from the order.

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PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is 10250 Constellation Boulevard, Suite 1700, Los Angeles, CA 90067

A true and correct copy of the foregoing document entitled **Notice of Sale of Estate Property** will be served or was served **(a)** on the judge in chambers in the form and manner required by LBR 5005-2(d); and **(b)** in the manner stated below:

1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF): Pursuant to controlling General Orders and LBR, the foregoing document will be served by the court via NEF and hyperlink to the document. On **April 21, 2017**, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following persons are on the Electronic Mail Notice List to receive NEF transmission at the email addresses stated below:

- Matthew T Bechtel Bechtel@luch.com, cheryl@luch.com, kimberley@luch.com
- Ron Bender rb@lnbyb.com
- Robert J Berens rjb@smtldlaw.com, srodriguez@smtldlaw.com
- Scott E Blakeley seb@blakeleyllp.com, ecf@blakeleyllp.com
- William S Brody wbrody@buchalter.com, dbodkin@buchalter.com; IFS_filing@buchalter.com
- Ronald Clifford rclifford@blakeleyllp.com, ecf@blakeleyllp.com; seb@blakeleyllp.com; info@ecf.inforuptcy.com
- Caroline Djang cdjang@rutan.com
- Donald T Dunning ddunning@dunninglaw.com, jmacleod@dunninglaw.com
- John S Durkin john@john-durkin.com
- Luke N Eaton eatonl@pepperlaw.com
- Anne K Edwards aedwards@rodipollock.com
- Kerry K Fennelly kfennelly@donaldsonandcornwell.com, fileclerk@donaldsonandcornwell.com; lsheridan@donaldsonandcornwell.com; kditty@donaldsonandcornwell.com; vmindirgasova@donaldsonandcornwell.com; jbalwin@donaldsonandcornwell.com
- Jon F Gauthier jgauthier@ftblaw.com, jrobinson@ftblaw.com
- Michael I Gottfried mgottfried@lgbfirm.com, kalandy@lgbfirm.com; cboyias@lgbfirm.com; srichmond@lgbfirm.com; mmocciaro@lgbfirm.com
- Jacqueline L James jlj@lnbyb.com
- Michael Y Jung jung@luch.com, gina@luch.com, kimberley@luch.com
- Raffi Khatchadourian raffi@hemar-rousso.com
- Matthew A Lesnick matt@lesnickprince.com, matt@ecf.inforuptcy.com; jmack@lesnickprince.com
- Susan Graham Lovelace lovelace@luch.com, jason@luch.com, kimberley@luch.com
- Alvin Mar alvin.mar@usdoj.gov
- David W. Meadows david@davidwmeadowslaw.com
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- Ali Salamid as@smtldlaw.com, rb@smtldlaw.com
- Matthew J. Shier mshier@shierkatz.com, mterry@shierkatz.com
- Wayne A Silver w_silver@sbcglobal.net
- Lindsey L Smith lls@lnbyb.com, lls@ecf.inforuptcy.com
- Michele R Stafford mstafford@sjlawcorp.com, collections@sjlawcorp.com
- Nicholas Starkman nstarkman@wkclegal.com, syoung@wkclegal.com

- Nicola G Suglia nsuglia@fleischerlaw.com
- Jolene Tanner jolene.tanner@usdoj.gov, USACAC.criminal@usdoj.gov
- United States Trustee (LA) ustpreion16.la.ecf@usdoj.gov
- Dennis Winters winterslawfirm@cs.com
- Donald A Workman dworkman@bakerlaw.com
- Kirsten A Worley kw@wlawcorp.com, admin@wlawcorp.com
- Beth Ann R Young bry@lnbyb.com

☐ Service information continued on attached page

2. SERVED BY UNITED STATES MAIL: On **April 21, 2017**, I served the following persons and/or entities at the last known addresses in this bankruptcy case or adversary proceeding by placing a true and correct copy thereof in a sealed envelope in the United States mail, first class, postage prepaid, and addressed as follows. Listing the judge here constitutes a declaration that mailing to the judge will be completed no later than 24 hours after the document is filed.

☐ Service information continued on attached page

3. SERVED BY PERSONAL DELIVERY, OVERNIGHT MAIL, FACSIMILE TRANSMISSION OR EMAIL (state method for each person or entity served): Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on **April 21, 2017**, I served the following persons and/or entities by personal delivery, overnight mail service, or (for those who consented in writing to such service method), by facsimile transmission and/or email as follows. Listing the judge here constitutes a declaration that personal delivery on, or overnight mail to, the judge will be completed no later than 24 hours after the document is filed.

Courtesy Copy via Personal Delivery

Hon. Julia W. Brand
United States Bankruptcy Court
255 E. Temple Street, Suite 1382
Los Angeles, CA 90012

☐ Service information continued on attached page

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

April 21, 2017

John Berwick

/s/ John Berwick

Date

Type Name

Signature